



Insurance Department

State of Utah

GARY R. HERBERT

Governor

SPENCER J. COX

Lieutenant Governor

TODD E. KISER

Acting Commissioner

State of Utah Title and Escrow Commission Meeting Meeting Information

Date: August 11, 2014

Time: 9:00AM

Place: East Bldg., Copper Room

MEMBERS

(Attendees = x)

COMMISSION MEMBERS

xChair, Jeff Wiener (*Insurer, Salt Lake Cnty*)

xMatt Sager, (*Insurer, Maricopa Cnty, AZ*)

xCo-Chair, Larry Blake (*Agency, Washington Cnty*)

xKirk Smith, (*Agency, Weber Cnty*)

xSylvia Andersen, (*Public Member, Salt Lake Cnty*)

DEPARTMENT STAFF

xPerri Babalis, *AG Counsel*

xBrett Barratt, *Deputy Comm.*

xMark Kleinfield, *ALJ*

Suzette Green-Wright, *MC Dir.*

xTammy Greening, *Examiner*

xJilene Whitby, *PIO Recorder*

MEMBERS OF THE PUBLIC

Carol Yamamoto

Tige Garner

David Moore

Pete Stevens

Bob Rice

Wade Taylor

Mike Smith

Blake Heiner

Glen Roberts

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MINUTES – NOT APPROVED

General Session: (Open to the Public)

- **Welcome** at 9:02am by Jeff Wiener, Chair.
- **Adopt Minutes of Previous Meeting**
Matt made a **motion** to adopt the minutes, Larry seconded it and the vote was unanimous.
- **Reports**
 - **Concur with Licensee Report** / Tammy
Kirk made a **motion** to concur with the report, Sylvia seconded it and the vote was unanimous.
 - **Concur with Complaint & Enforcement Report** / Suzette
Report not included in the packets so will defer concurrence until next month's meeting.
 - **Request for Dual Licensee Expedited Request:** None
 - **Request for Attorney Exemption:** None
- **Administrative Proceedings Action** / Mark Kleinfield, ALJ
 - **Stipulation & Order: Magellan Title**
This Stip was not included in the agenda placed on the State's Public Meeting website. Action deferred until next month's meeting.
 - **Request for a Hearing:** None
 - **Order to Show Cause:** None
 - **Informal Adjudicative Proceeding & Order:** None
 - **Notice of Formal Adjudicative Proceeding:** None
- **New Business**
 - **Discuss the Need for Clarification of Rules Regarding Retention of Escrow Records** / Matt/ Jeff/ Brett/ Perri
Two statutes in the insurance code have retention requirements; Section 31A-20-110 require records be retained 15 years if the title and escrow can be separated; and Section 31A-23a-412 has a 3 year retention requirement for all but search and examination records. Department of Financial Institutions (DFI) has a 6 year retention requirement.

- Sylvia asked if there could be a stream-lined time line required for all.
- Jeff said the DFI statute specifically excludes title. The requirement for escrow is 3 years. A legislative change would be required to standardize it. Perri noted that if search and escrow cannot be separated then the retention period is 15 years.
- Brett said a bulletin could be provided to clarify this. Perri said retention starts with the current calendar year plus three years.
- Matt suggested they look at who keeps these records in the event the title company closes. Jeff asked that this be added to the agenda for next month.
- Lenders with questions about retention should be directed to 31A-23a-412.
- A member of the public asked if they were required to destroy records when the 4 years is up. David said only when dealing with Wells Fargo as far as he knew. Jeff said the Wells Fargo requirement has to do with signed original documents. Pete said it had to do with any documents provided by lenders. Jeff said there was value in preserving documents in case of future claims. If we are maintaining files we should make legislative changes to include escrow to the 15 year retention requirement of 31A-23a-412.
- Perri said 31A-23a-412 deals with the review of documents by the commissioner.
- Perri noted that the retention statutes apply to paper and electronic.
- Jeff said the next step would be to set security standards for keeping electronic documents. Sylvia suggested redacting personal information before storing it.
- Brett said the department would have a draft bulletin ready for next months meeting that would describe the retention requirements in 31a-23a-412 and 31A-20-110. Once the Commission has discussed who is ultimately responsible for retention when a company closes we can add that to the bulletin.
- Matt **moved** to continue discussion next month, seconded by Larry and the vote was unanimous.
- **2014 Title Assessment** / Tammy
The 2014 Title Assessment will be \$250 for the first office and \$150 for each additional office in the county. This is the full amount allowed by the statute.
- **Old Business**
 - **Discuss Proposed Rule R592-16: Prohibited Escrow Settlement Closing Transactions** / Jeff
Draft of rule was provided to attendees. Jeff asked for comments on the changes and received none. Larry made a **motion** to move the rule to the formal rulemaking process, seconded by Sylvia and the vote was unanimous.
- **Other Business**
 - **Legislative Update on Potential Title Legislation as Per the Business & Labor Interim Meeting in June** / Brett
 - Brett provided 2013 Insurance Code Books to attendees at no cost.
 - Bramble's bill from this year's legislative session has been re-released and is in protective status. He wants department's input.
 - **Discuss Suggested Agenda Item of "Hot Topics"/ Brett**
A member of the industry asked that "Hot Topics" be included on the agenda. This would give industry an opportunity to talk about topics important to them. A particular topic would need to be put on the agenda no later than 9am on the Friday before the meeting by contacting Jilene at 801-538-3803 or jwhitby@utah.gov. Hot Topic is to be added to the agenda after Old Business.

Executive Session- Not Necessary

- **Adjourn:** Kirk made the **motion** to adjourn, seconded by Matt at 9:54AM.
- **Next Meeting:** September 8, 2014, Copper Room

2014 Meeting Schedule

(2nd Monday except in October)

~~Jul 14~~ ~~Aug 11~~ Sept 8 **Oct 20** Nov 10 Dec 8